

Public Hearing

Agenda Item #	2
Meeting Date	May 31, 2005
Prepared By	Barbara B. Matthews City Manager
Approved By	

Discussion Item	Public hearing concerning the proposed budget for FY06
Background	<p>The City's new fiscal year will commence on July 1, 2005. In accordance with Article VIII of the Charter of the City of Takoma Park, the City Manager prepared a recommended budget for consideration by the City Council.</p> <p>The proposed budget for FY06 accounts for the City's financial activities in four major funds or fiscal entities. They are the General Fund, the Storm Water Management Fund, the Special Revenue Funds, and the Community Center Fund.</p> <p>Prior to commencing its deliberations, the City Council held two public hearings to obtain input from Takoma Park residents on the City Manager's recommended budget. These hearings were held on May 2, 2005 and May 9, 2005.</p> <p>The City Council then held a series of work sessions to review and to discuss the City Manager's recommended budget. During this process, certain modifications were made to the budgets for the General Fund and for the Community Center Fund.</p> <p>The proposed budget for FY06, as revised, assumes a real property tax rate of \$0.63 per \$100 of assessed valuation—a reduction of \$0.03 from the rate for the prior fiscal year. This rate exceeds the Constant Yield Tax Rate of \$0.597.</p> <p>The public hearing on May 31, 2005 will provide residents with an additional opportunity to comment about the proposed budget for FY06 prior to its adoption.</p>
Policy	In accordance with Article VIII of the Charter of the City of Takoma Park, the City Manager is charged with submission of a proposed budget for consideration of the City Council. Before adoption of the budget, the City Council shall hold at least one public hearing.
Fiscal Impact	The proposed budget for FY06 provides for total expenditures of \$19,991,522. General Fund expenditures total \$16,863,160. Combined expenditures for the other funds (Storm Water Management, Special Revenue, and Community Center) equal \$3,128,362.
Attachments	<p>Combined Statement of Revenues, Expenditures, and Changes in Fund Balance</p> <p>General Fund Budget Summary</p> <p>Community Center Fund Budget Summary</p> <p>Special Revenue Funds Budget Summary</p> <p>Storm Water Management Fund Budget Summary</p>
Recommendation	Staff recommends that the City Council conduct the public hearing to obtain additional input from Takoma Park residents about the proposed budget for FY06.
Special Consideration	

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR BEGINNING JULY 1, 2006

	General Fund	Storm Water Management Fund	Special Revenue Funds	Community Center Fund	Total
FY2006 Revenues	15,509,072	213,000	1,552,552	807,365	18,081,989
FY2006 Expenditures	16,863,160	228,000	1,463,275	1,437,087	19,991,522
Excess (deficiency) of revenues over expenditures	(1,354,088)	(15,000)	89,277	(629,722)	(1,909,533)
Other Financing Sources (Uses)					
Sale of property	400,000	0	0	0	400,000
Operating transfers in (out)	(403,309)	0	3,309	400,000	0
Total Other Financing Sources (Uses)	(3,309)	0	3,309	400,000	400,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,357,397)	(15,000)	92,586	(229,722)	(1,509,533)
Fund Balance					
Beginning of year	4,556,357	121,504	(92,586)	229,722	4,814,997
End of year	3,198,960	106,504	0	0	3,305,464

FY06 BUDGET SUMMARY - GENERAL FUND

	Audited FY03	Preliminary Audited FY04	Budgeted FY05	Estimated FY05	Proposed FY06
<u>REVENUES</u>					
Taxes and utility fees	8,115,007	8,618,452	9,230,984	9,421,297	9,975,839
Licenses and permits	30,686	60,841	46,000	81,854	66,854
Fines and forfeitures	130,455	104,539	162,500	165,700	162,000
Use of money and property	174,989	67,280	123,000	105,252	106,000
Charges for service	569,734	563,956	621,500	559,300	580,000
Intergovernmental	3,403,661	3,494,647	3,927,280	3,890,513	4,440,346
Miscellaneous	652,055	382,950	104,333	214,798	178,033
Total Revenues	13,076,587	13,292,665	14,215,597	14,438,714	15,509,072
<u>EXPENDITURES</u>					
General Government	1,827,489	2,027,868	1,766,449	1,892,336	1,929,889
Police	3,938,440	4,129,507	4,430,447	4,309,791	4,613,481
Public Works	2,979,599	3,127,512	3,208,734	3,218,671	3,420,064
Recreation	875,888	911,957	1,045,394	919,348	1,109,234
Housing and Community Development	758,430	955,228	994,607	925,909	1,076,921
Communications	220,524	299,080	326,160	320,209	347,919
Library	650,934	685,218	817,766	744,108	866,172
Non-departmental	403,593	606,118	1,217,120	787,048	1,030,976
Capital outlay	1,042,789	394,641	2,569,000	734,030	1,576,020
Debt service	1,054,932	307,088	312,735	345,719	892,484
Total Expenditures	13,752,618	13,444,217	16,688,412	14,197,169	16,863,160
Excess (deficiency) of revenues over expenditures	(676,031)	(151,552)	(2,472,815)	241,545	(1,354,088)
<u>OTHER FINANCING SOURCES (USES)</u>					
Loan proceeds	380,000	19,475	2,005,000	2,005,000	0
Sale of Property	0	0	0	0	400,000
Operating transfers in (out)	(330,929)	(3,019,512)	(699,774)	(408,149)	(403,309)
Total Other Financing Sources (Uses)	49,071	(3,000,037)	1,305,226	1,596,851	(3,309)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(626,960)	(3,151,589)	(1,167,589)	1,838,396	(1,357,397)
<u>FUND BALANCE</u>					
Beginning of year	6,496,510	5,869,550	2,717,961	2,717,961	4,556,357
End of year	5,869,550	2,717,961	1,550,372	4,556,357	3,198,960

Note: Fund balance includes monies that are designated for specific purposes, including the Equipment Replacement Reserve, the Emergency Reserve, and proceeds from the street loan.

FY06 BUDGET SUMMARY - COMMUNITY CENTER FUND

	Audited FY03	Preliminary Audited FY04	Budgeted FY05	Estimated FY05	Proposed FY06
<u>REVENUES</u>					
Taxes and utility fees	0	0	0	0	0
Licenses and permits	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0
Use of money and property	0	0	0	0	0
Charges for service	0	0	0	0	0
Intergovernmental	239,970	1,288,816	3,981,815	2,597,863	807,365
Miscellaneous	0	0	0	0	0
Total Revenues	239,970	1,288,816	3,981,815	2,597,863	807,365
<u>EXPENDITURES</u>					
General Government	565,517	47,531	77,732	78,219	42,943
Capital Outlay	0	3,549,088	5,236,429	5,800,000	1,394,144
Total Expenditures	565,517	3,596,619	5,314,161	5,878,219	1,437,087
Excess (deficiency) of revenues over expenditures	(325,547)	(2,307,803)	(1,332,346)	(3,280,356)	(629,722)
<u>OTHER FINANCING SOURCES (USES)</u>					
Loan proceeds	0	0	0	2,537,572	0
Operating transfers in (out)	325,547	2,878,613	1,332,346	401,696	400,000
Total Other Financing Sources (Uses)	325,547	2,878,613	1,332,346	2,939,268	400,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	0	570,810	0	(341,088)	(229,722)
<u>FUND BALANCE</u>					
Beginning of year	0	0	570,810	570,810	229,722
End of year	0	570,810	570,810	229,722	0

FY06 BUDGET SUMMARY - SPECIAL REVENUE FUNDS

	Audited FY03	Preliminary Audited FY04	Budgeted FY05	Estimated FY05	Proposed FY06
<u>REVENUES</u>					
Taxes and utility fees	0	0	0	0	0
Licenses and permits	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0
Use of money and property	700	528	0	400	0
Charges for service	0	0	0	0	0
Intergovernmental	698,741	1,220,772	1,064,200	940,998	1,552,552
Miscellaneous	0	0	0	0	0
Total Revenues	699,441	1,221,300	1,064,200	941,398	1,552,552
<u>EXPENDITURES</u>					
General Government	220,897	304,976	132,000	162,052	100,000
Police	105,959	162,611	287,789	190,661	310,000
Public Works	217,011	1,032,466	217,950	564,935	1,025,775
Housing and Community Development	0	14,295	317,050	34,850	0
Recreation	228,621	262,903	132,500	67,500	27,500
Total Expenditures	772,488	1,777,251	1,087,289	1,019,998	1,463,275
Excess (deficiency) of revenues over expenditures	(73,047)	(555,951)	(23,089)	(78,600)	89,277
<u>OTHER FINANCING SOURCES (USES)</u>					
Loan proceeds	0	0	0	0	0
Operating transfers in (out)	5,382	340,900	23,078	6,453	3,309
Total Other Financing Sources (Uses)	5,382	340,900	23,078	6,453	3,309
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(67,665)	(215,051)	(11)	(72,147)	92,586
<u>FUND BALANCE</u>					
Beginning of year	262,277	194,612	(20,439)	(20,439)	(92,586)
End of year	194,612	(20,439)	(20,450)	(92,586)	0

FY06 BUDGET SUMMARY - STORM WATER MANAGEMENT FUND

	Audited FY03	Preliminary Audited FY04	Budgeted FY05	Estimated FY05	Proposed FY06
<u>REVENUES</u>					
Taxes and utility fees	0	0	0	0	0
Licenses and permits	1,242	3,021	2,000	28,468	2,000
Fines and forfeitures	0	0	0	0	0
Use of money and property	15,383	402	2,100	1,000	1,000
Charges for service	214,578	237,408	220,000	210,000	210,000
Intergovernmental	0	0	0	0	0
Miscellaneous	0	0	0	0	0
Total Revenues	231,203	240,831	224,100	239,468	213,000
<u>EXPENDITURES</u>					
Public Works	159,288	132,487	115,383	86,697	138,325
Capital outlay	67,316	0	119,054	184,292	89,675
Debt service	144,140	0	0	0	0
Total Expenditures	370,744	132,487	234,437	270,989	228,000
Excess (deficiency) of revenues over expenditures	(139,541)	108,344	(10,337)	(31,521)	(15,000)
<u>OTHER FINANCING SOURCES (USES)</u>					
Loan proceeds	0	0	0	0	0
Operating transfers in (out)	0	(200,000)	0	0	0
Total Other Financing Sources (Uses)	0	(200,000)	0	0	0
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(139,541)	(91,656)	(10,337)	(31,521)	(15,000)
<u>FUND BALANCE</u>					
Beginning of year	384,222	244,681	153,025	153,025	121,504
End of year	244,681	153,025	142,688	121,504	106,504